

PT 97-53

Tax Type: PROPERTY TAX

Issue: Religious Ownership/Use

STATE OF ILLINOIS
DEPARTMENT OF REVENUE
OFFICE OF ADMINISTRATIVE HEARINGS
SPRINGFIELD, ILLINOIS

GREEK ARCHDIOCESE,)	
SECOND ARCHDIOCESAN DISTRICT,)	Docket # 95-16-381
WELFARE FOUNDATION)	
Applicant)	Parcel Index #10-32-102-062
)	
v.)	
)	
THE DEPARTMENT OF REVENUE)	Barbara S. Rowe
OF THE STATE OF ILLINOIS)	Administrative Law Judge

RECOMMENDATION FOR DISPOSITION

Appearances: Mr. Mark Trager and Mr. Leonard Shifflett of Wilson and McIlvaine for the Greek Archdiocese, Second Archdiocesan District, Welfare Foundation.

Synopsis:

The hearing in this matter was held at 100 W. Randolph, Chicago, Illinois on April 3, 1997, to determine whether or not Cook County Parcel Index No. 10-32-102-062 qualified for exemption during the 1995 assessment year.

James Gatziolis, first vice president of the Board of Directors of Greek Archdiocese, Second Archdiocesan District, Welfare Foundation (hereinafter referred to as the "Applicant") was present and testified on behalf of the applicant.

The issues in this matter include, first, whether the applicant was the owner of the parcel during the 1995 assessment year; secondly, whether the applicant is a charitable organization organization; and lastly, whether the parcel was used by the applicant for exempt purposes during the 1995 assessment year. Following the submission of all the evidence and a review of the record, it is determined that the applicant owned the parcel for all of the 1995

assessment year. It is also determined that the applicant is not an exempt organization. Finally, it is determined that the applicant did not use the property in an exempt manner during the 1995 assessment year.

Findings of Fact:

1. The position and jurisdiction of the Illinois Department of Revenue (hereinafter the "Department") was established by the admission into evidence of Dept. Ex. Nos. 1 through 4. (Tr. pp. 11-12)

2. The applicant was incorporated under the "General Not for Profit Corporation Act of the State of Illinois" on April 10, 1993, as Greek Orthodox Welfare Foundation. The applicant subsequently amended the articles to change the name to Greek Archdiocese, Second Archdiocesan District, Welfare Foundation. (Dept. Ex. No. 1)

3. Article I of the By-Laws of the applicant clarifies the name of the organization and explains that the organization is commonly known as the Hellenic Foundation. (Dept Ex. No. 1)

4. The name Hellenic Foundation was adopted to give the applicant better community recognition. The significant assets of the applicant are realty and therefore the legal name has not been changed in order not to complicate the legal title to any parcels owned by the applicant. (Tr. pp. 14-15)

5. Article III of the by laws of the applicant contain the purpose of the organization which is:

The purpose of the Hellenic Foundation is to evaluate and serve the Greek-American Community of the Metropolitan Chicago Area by providing the following programs:

1. An Agency of not-for profit status in the field of geriatrics, including the establishment and management of facilities for Greek-American elderly; and
2. A Social Service Program which may provide the Greek-American Community with:
 - (a) information, referral and counseling services;
 - (b) services for the elderly;
 - (c) a job placement program;
 - (d) a community education program;

- (e) a program for orphaned, semi-orphaned and foster children of Greek descent; and
- (f) any program which has been researched to be a necessity and in the confines of the Foundation's general goals. (Dept. Ex. No. 1)

5. The applicant acquired title to the parcel herein issue on June 29, 1995 by a trustees deed. The parcel is commonly known as 6251-53 West Touhy, Chicago, Illinois. (Dept. Ex. No. 1)

6. The applicant purchased the property from the beneficiary of the land trust who retained 35% of the building for his office as an architect. The applicant has a 10 year lease with the architect for which the applicant is paid rent of \$10.00 per year. (Dept. Ex. No. Tr. pp. 37-38)

7. The rental agreement arose as part of the acquisition negotiations. Through the arrangement, the applicant was able to afford to purchase the property at a price lower than the fair market value of the property. (Tr. pp. 32-33)

8. In the 65% of the one story brick building located on the parcel in question that is occupied by the applicant, the applicant uses the property for family/youth counseling, advocacy, citizenship issues, AIDS/Drug counseling, a social group for senior citizens, with an emphasis on aiding the Greek-speaking community. (Dept. Ex. No. 1; Tr. 30-

9. The applicant has three major program areas. The first is the Hollywood House, a Senior citizen's residence. The second is the Hellenic Golden Circle which is a senior's activity program. The third is the Hellenic Family and Community Services Program which is a program of counseling, referral and advocacy. ((Tr. pp. 15-16)

10. The applicant employs three social workers on the staff located in the building on the parcel in question. (Tr. p. 36)

11. The applicant is exempt from the payment of Federal Income Taxes pursuant to a 501(c)(3) designation by the Internal Revenue Service. (Dept. Ex. No. 1)

12. The Hellenic Foundation is exempt from the payment of Retailer's Occupation tax and related taxes by a letter issued by the Department on February 28, 1992. (Dept. Ex. No. 1)

11. James Gatziolis, the Vice President of the applicant, testified that Hollywood House, located at 5700 North Sheridan Road in Chicago, Illinois, has a property tax exemption. (Tr. p. 34)

Respectfully Submitted,

Barbara S. Rowe
Administrative Law Judge